

Mr. Derwinski, are you ready to question at this point?

Mr. DERWINSKI. Madam Chairman, I have been reviewing our hearings of last year, and I don't think we are exploring new territory but, I hope, we are effectively rehashing.

I have no questions at this time.

Mrs. KELLY. Mr. Hamilton.

Mr. HAMILTON. Just one question, Madam Chairman.

On the attorney fee commission, is it the custom of the Commission to give a flat 10 percent in all cases to attorneys?

Mr. RE. We are asking that we be relieved of the responsibility of establishing them. We would like to leave it entirely to the attorney-client relationship.

Mr. HAMILTON. What is your habit now at the Commission?

Mr. RE. That is our present practice, but we would like to have the statute that is before us this morning amended to make it uniform with the other statutes we administer.

Mr. HAMILTON. What would be the practical effect of that, sir?

Mr. RE. It would mean that we would not wish to have the responsibility of setting the attorney's fee and having the Treasury Department deduct the fee. We would prefer to have that handled strictly between the client and the attorney.

Mr. HAMILTON. Is the practical effect going to be that the claimant himself gets a less amount, and the attorney gets more?

Mr. RE. No, because there is still a 10-percent limitation.

Mr. HAMILTON. You do in effect set the attorney's fee?

Mr. RE. We don't set it. It is set by the statute. We want to be relieved of the responsibility of setting it within the 10-percent limit. We can set it at a lower percentage under the particular statute. We want to be relieved of that responsibility.

Mr. DERWINSKI. Would the gentleman yield?

Mr. HAMILTON. Yes.

Mr. DERWINSKI. To be relieved of responsibility, to use your words, sir, means that the maximum and minimum attorney fee will henceforth be 10 percent?

Mr. RE. If that is the agreement that is entered into between the attorney—

Mr. DERWINSKI. My point is that in lieu of any statement on your part of a lesser legal fee, I would assume that the standard, and therefore the only legal fee involved, would be 10 percent?

Mr. RE. If I may be permitted an observation on the question of attorneys' fees, I think there is perhaps a misunderstanding on the part of the public, on the attorney fee provisions.

To have a low attorney fee provision does not always help the claimant. It sometimes means that the small claimant is deprived of counsel.

The big claimant doesn't require the protection of the statute. The little claimant, because of what ostensibly seems to be a protection, is sometimes deprived of counsel.

This raises a broader question. I don't want to get into that.

Mr. HAMILTON. I want to understand the situation. Under the present law you have the burden of setting the attorneys' fee?

Mr. RE. Within the 10-percent limitation.

Mr. HAMILTON. It can be less but not more than 10 percent?

Mr. RE. Yes.

Mr. HAMILTON. What is your practice at this moment?